
Reimbursables

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Introduction At Los Alamos National Laboratory, reimbursables denote DOE projects established through the use of integrated contracts and all projects funded by non-DOE sponsors. Integrated contracts provide for full-cost recovery of Laboratory expenditures incurred as a result of performing contracted work for the other DOE facilities. Examples of non-DOE sponsors include the Department of Defense, National Institutes of Health and private sector corporations.

Reimbursable Work for Others (Federal)

In this section The following topics are covered in this section:

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Introduction The Reimbursable Work for Others (Federal) section is provided as a guideline for the budget formulation and execution of work performed by the Laboratory for federal sponsors other than the Department of Energy (DOE). It delineates the responsibilities of the Laboratory as identified in DOE Order 4300.2C, Work for Others.

Policy Reimbursable Work for Others (WFO) will be accomplished within the parameters of DOE Orders 4300.2C and 2110.1A, Pricing of Departmental Materials and Services/Full Cost Recovery.

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Reimbursable Work for Others (Federal), Continued

**Criteria for
approval of
WFO**

The following are general criteria that define the parameters of WFO (federally-funded) activities at the Laboratory:

- The activity is performed and the specific deliverables are consistent with the legislative authority (as per Congress) of DOE;
- The activity is complementary and consistent with the Laboratory's and DOE's mission statements;
- The activity is not in direct competition with the domestic (United States) private sector;
- The activity does not preclude or prevent the execution of DOE-funded activity at Los Alamos National Laboratory;
- The activity does not present a current or future burden on DOE- or other-funded activity at Los Alamos National Laboratory;
- The activity's budget formulation is accomplished using the approved Laboratory estimating tool; and
- The activity's budget execution is completed in observance of full cost recovery principles and best management practices.

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Reimbursable Work for Others (Federal), Continued

Procedure The following steps outline the Reimbursable Work for Others (Federal) procedure at the Laboratory:

Step	Action
1	<p>The Laboratory principal investigator (PI) prepares a proposal using a standard methodology, as required by the sponsor and DOE. Programmatic signature responsibilities for these proposals are provided by the Laboratory Controller and are listed in the next section, Signature Authority.</p> <p>Note: Proposal preparation methodology is unique to each sponsor. Specific preparation procedures and training on these procedures are available from the Laboratory Budget Office and on the World Wide Web at the following URL address: http://www.bus.lanl.gov:8001/bus-2/business/pph.html.</p>
2	Proposals are submitted to the Laboratory Contracts and Grants Officer in the Budget Office and the program director specified on the signature authority list for review, approval, and signature.
3	<p>Once signed by the Contracts and Grants Officer and the program director, the original proposal is submitted to the sponsor. Copies are sent to DOE for approval and to the Laboratory requester.</p> <p>Note: Non-approved proposals are returned by the Laboratory Budget Office to the PI with instructions for correcting deficiencies, where appropriate.</p>
4	Following the sponsor's receipt and review of the proposal, DOE notifies the sponsor and the Laboratory of the proposal's status.
5	Once DOE approves the proposal using the guidelines in DOE Order 4300.2C, DOE certifies the funding, and the sponsor sends the funds to DOE for allocation to the Laboratory.
6	<p>DOE sends the funds to the Laboratory through the official AFP (or a written authorization to cost, if time is of the essence). Exceptions to the AFP process to initiate or continue work are granted on a case-by-case basis and granted only by DOE Albuquerque Office (DOE/AL).</p> <p>Note: DOE Orders prohibit the execution of work prior to receipt of funding (refer to Definitions section, above).</p>

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Reimbursable Work for Others (Federal), Continued

Procedure (continued)

Step	Action
7	Upon receipt of the funding through DOE, the Laboratory Budget Office opens at least one program code to record the funding and costs. The project leader is responsible for managing the project to ensure that costs and commitments do not exceed the approved funding level.
8	Work is initiated. Incremental funding, invoicing, collection, and funds processing are conducted by BUS Division.
9	The Laboratory Budget Office prepares a variety of monthly and quarterly reports on the status of WFO activity at the Laboratory. The information is used by financial analysts to advise Laboratory management of project status. The Laboratory also provides required reporting to DOE Headquarters (DOE/HQ) and DOE/AL.
10	<p>When project costs and commitments reach 99% of the available funding, the Laboratory Budget Office closes the program code to additional costs and commitments. Program codes may be closed prior to being 99% costed and committed at the discretion of the Laboratory Budget Officer or the project leader.</p> <p>Note: Work cannot continue once the project is closed. However, the work scope can be adjusted to coincide with the arrival of additional funds and/or the commitment levels can be adjusted to better reflect planned and executed work scope.</p>
11	Once the PI or sponsor requests that the activity be closed, the project leader certifies in writing that all booked costs were funded by the appropriate sources and that the sponsor has concurred that all deliverables are complete. This certification is maintained as part of the file.

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Reimbursable Work for Others (Federal), Continued

**Signature
authority**

Signature authority for proposals are as follows:

Program	Interface	Mail Stop	Phone
Department of Defense	Walter L. Kirchner, Department of Defense Programs (DoD)	F613	505-667-1775 Fax 505-665- 5739
Industry (Funds-in Agreements and Department of Commerce)	Cheryl Berger, Industrial Partnership Programs (IP)	C331	505-665-9090 Fax 505-667- 4098
Biotechnology and Health (National Institutes of Health; Departments of Health and Human Resources, Labor, and Agriculture)	John C. Browne, LANSCE and Energy Research (LER)	H845	505-667-5051 Fax 505-667- 9409
Energy and Transportation (Department of Transportation, Federal Aviation Administration, Nuclear Regulatory Commission, Department of Interior)	Joe Laia, Energy Technology Programs (ET)	D453	505-667-3880 Fax 505-665- 2964
Environment (Environmental Protection Agency)	Thomas E. Baca, Environmental Management Programs (EM)	J591	505-667-2211 Fax 505-665- 8190
Space (National Aeronautics and Space Administration, National Oceanic and Atmospheric Administration)	Donald D. Cobb, Nonproliferation and International Security Programs (NIS)	F650	505-667-1212 Fax 505-665- 4109

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Reimbursable Work for Others (Federal), Continued

Signature authority (continued)

Program	Interface	Mail Stop	Phone
Security and Intelligence (Departments of Treasury and Justice; Federal Bureau of Investigation; Intelligence Community)	Houston T. Hawkins, Nonproliferation and International Security Programs (NIS)	F650	505-667-1212 Fax 505-665-4109
Basic Sciences (National Science Foundation)	A. P. Sattelberger, Science and Technology Base Programs (STB)	F657	505-667-7978 Fax 505-665-4092

Budget formulation control

The Laboratory's Budget Estimating Tool (BET) is used as a budget formulation control, where appropriate.

Budget execution controls

Budget execution controls include the following:

- Code closure by the Laboratory Budget Office, as described above;
- Ensuring the integrity of the costs incurred and that the costs incurred are allocated to the correct funding source;
- Maintaining contact with the sponsor to review work scope, deliverables, and costs; and
- Use of the UC Management Fee on an exception basis to ensure that sufficient funds are available during the execution phase, as discussed below.

Continued on next page

Reimbursable Work for Others (Federal), Continued

**UC Fee as
bridge funding**

As described in A. Johnston's October 4, 1995, memo to Laboratory Master Management, the UC contract with DOE allows for use of the UC Management Fee on a temporary basis as bridge funding for ongoing WFO activities pending the receipt of funding resources from a sponsor. Use of the UC Fee is for continuing work only and is not appropriate for new activity. The program in question remains open and any undistributed costs are posted, as appropriate, by BUS-1 against the UC Fee. The Fee is restored when sponsor funding arrives at the Laboratory.

**Requirements
for use of UC
Fee**

If the WFO is ongoing and funding is delayed, it is possible to continue the work if the funding document for extension of the project is at DOE awaiting approval or if the sponsor has formally assured the Laboratory Budget Officer, in writing, that funding will arrive at DOE within 60 calendar days and the appropriate program director requests the use of bridge funding.

In order to allow the project to remain open, the performing organization must provide the Laboratory Budget Officer with either a copy of the sponsor's funding document, which would allow continuation of the work, or a formal letter from the sponsor assuring that the funding document will be delivered to DOE within 60 days of the date when the program will have depleted any prior sponsor funding. In addition, the new proposal covering the continuing activity should be completed and submitted to the Laboratory Budget Officer, DOE, and the sponsor well before the term date expiration of the previous workscope.

The maximum allowable elapsed time before costs are placed permanently against the UC Fee is 90 days. Typically, funds must arrive at DOE/AL within 60 days. An additional 30 days may be required for the funds to be booked on the DOE Approved Funding Plan and a signed funding document to be received at the Laboratory.

It is best business practice to avoid use of the UC Fee when possible or, if unavoidable, to minimize the elapsed time when the UC Fee is used for bridge funding.

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Reimbursable Work for Others (Federal), Continued

**Resulting
unallowable
costs**

Should bridge funding not arrive within 90 days, the costs will be judged as unallowable costs and allocated permanently to the UC Fee. Unallowable costs potentially reduce the Laboratory's research funding through University of California Directed Research and Development (UCDRD) reductions. Each instance is reported to the Laboratory Director.

**Procedures and
approval
requirements**

Procedures and approval requirements for use of the Fee as bridge funding are available from the Laboratory Budget Office.

Reimbursable Work for Others (Non-Federal)

In this section The following topics are covered in this section:

Topic	See Page
Policy	7-2-10
Exclusions	7-2-10
Criteria for Approval	7-2-11
Procedure	7-2-12
Budget Formulation and Execution Controls	7-2-14

Introduction The Reimbursable Work for Others (Non-Federal) section is provided as a guideline for the approval and financial execution of work performed by the Laboratory for non-federal entities. Non-federally funded Work for Others (WFO) includes work for state and local governments, universities, non-profit organizations, private industry, and foreign entities.

Policy An activity must meet the general criteria listed below to be non-federal WFO funded.

DOE Orders 4300.2C, Work for Others, and 2001.1A, Pricing of Departmental Materials and Services/Full Cost Recovery, must be followed for all non-federal WFO.

Exclusions Funds-In Agreements, User Facility Agreements, Limited Scope Technical Assistance Agreements, Industrial Assignment Agreements, and Cooperative Research and Development Agreements are not covered by this policy (refer to the following section).

Continued on next page

Reimbursable Work for Others (Non-Federal), Continued

Criteria for approval of WFO (non-federal)

In order for a Laboratory activity to be considered for potential non-federal WFO funding, the following criteria must be met:

- The activity performed and the specific deliverables are consistent with the legislative authority of DOE, as per Congress;
- The activity is not in conflict with the mission of DOE and is complementary and consistent with the Laboratory's mission statement;
- The activity is not in direct competition with the domestic (United States) private sector;
- The activity does not preclude or prevent the execution of DOE-funded activity at Los Alamos National Laboratory;
- The activity does not present a current or future burden on DOE- or other-funded activity at Los Alamos National Laboratory;
- Where applicable, 90-day advance funding is secured from the sponsor; and
- The activity's budget formulation and execution employ full cost recovery principles.

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Reimbursable Work for Others (Non-Federal), Continued

Procedure The following steps outline the non-federal WFO procedure at the Laboratory:

Step	Action
1	The Laboratory principal investigator (PI) and the Industrial Partnership Office (IPO) prepare a proposal using a standard methodology, as required by DOE
2	The PI and the prospective sponsor hold preliminary discussions. The Statement of Work and the tasks are identified.
3	The sponsor submits a Proposal Request and the Statement of Work to the DOE Albuquerque Office (AL).
4	DOE/AL forwards the Proposal Request to IPO.
5	IPO coordinates proposal preparation with BUS-2 and proposal review and approval with Laboratory Legal Counsel .
6	Proposals are submitted to the Laboratory Contracts and Grants Officer in the Budget Office.
7	Once signed by the Contracts and Grants Officer, the original proposal is submitted to DOE by IPO. Note: Non-approved proposals are returned by the Laboratory Budget Office to IPO with instructions for correcting deficiencies, where appropriate. IPO coordinates corrective action with BUS or the PI.
8	If approved by DOE, the proposal is sent to the sponsor for signature. Once signed by the sponsor and returned to DOE, the approved contract is forwarded to the Laboratory. Note: DOE Orders prohibit the execution of work prior to receipt of funding (i.e., funds are booked on the AFP or a written authorization from DOE to incur costs is received (in cases where time is of the essence).
9	The sponsor sends funds to the Laboratory per the invoice included in the signed contract.

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Reimbursable Work for Others (Non-Federal), Continued

Procedure, continued

Step	Action
10	The Laboratory forwards the payment to the US Treasury and notifies DOE. DOE sends the funds to the Laboratory through the official AFP or a written Authorization to Cost.
11	Upon receipt of the funding from DOE, IPO opens a program code to record the costs of the project. The project leader manages the project to ensure costs do not exceed the approved funding level.
12	When project costs and commitments reach 99% of the available funding, the Budget Office or the IPO financial analyst closes the program code to future costs and commitments. Note: To ensure that no work is executed or committed in excess of available resources, program codes may be closed prior to being 99% costed and committed.
13	The work scope may be adjusted to coincide with the arrival of additional funds or the commitment levels may be adjusted to better reflect the planned and executed workscope.
14	Contractual incremental funding, invoicing, collection, and funds processing are conducted by the IPO analyst.
15	The Budget Office prepares required WFO reports for DOE/HQ and DOE/AL and monthly and quarterly reports on the status of Laboratory WFO activities, which are used by financial analysts to advise management of project status.
16	IPO, the PI, or the sponsor requests that the activity be closed.
17	The PI certifies in writing the integrity of the cost activity, which is maintained on file.

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Reimbursable Work for Others (Non-Federal), Continued

**Budget
formulation
control**

The Laboratory's Budget Estimating Tool (BET) is used as a budget formulation control, where appropriate.

**Budget
execution
controls**

Budget execution controls include the following:

- Code closure by the Laboratory Budget Office, as described above;
 - Ensuring the integrity of the costs incurred and that the costs incurred are allocated to the correct funding source; and
 - Use of the UC Management Fee on an exception basis to ensure that sufficient funds are available during the execution phase, as discussed below.
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**UC
Management
Fee**

Under specific criteria and the approval of the Laboratory Budget Officer and the Laboratory Deputy Director, the UC Management Fee may be used on a temporary basis as "bridge funding" pending the receipt of funding resources from a sponsor. The Fee is restored when sponsor funding arrives at the Laboratory. Procedures and approval requirements are available from the Laboratory Budget Office.

Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, and Cooperative Research and Development Agreements

In this section The following topics are covered in this section:

Topic	See Page
Policies	7-2-16
Applicable Burden	7-2-16
Criteria for Activities	7-2-17
Funds-In Agreements	7-2-17
User Facility Agreements	7-2-18
Limited Scope Technical Assistance Agreements	7-2-18
Industrial Assignment Agreements	7-2-18
Cooperative Research and Development Agreements	7-2-18
Procedure	7-2-19
Budget Execution Controls	7-2-21

Introduction The Industrial Partnership Office (IPO) at the Laboratory is responsible for the negotiation, execution, and implementation of all reimbursable work with non-federal entities. Non-federal entities shall include, but not be limited to, domestic companies, state and local governments, as well as universities and foreign customers. The reimbursable work is performed via Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, Services and Materials, and Cooperative Research and Development Agreements. This section provides guidance on the use of these funding mechanisms.

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Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, and Cooperative Research and Development Agreements, Continued

Policies

Detailed policies for use of each type of funding agreement are available upon request from IPO.

In compliance with DOE policy, 90-day advance funding must be secured from the sponsor. Full funding is required prior to beginning work under an agreement with an estimated cost of \$25,000 or less or that will be completed in six months or less. For non-federal WFO agreements for more than \$25,000 and with a period of performance of six months or more, the sponsor has the option of requesting that funds be advanced on an incremental basis. Funds shall be advanced each month to maintain a continuous 90-day advance of funds during the period of performance of the agreement. The initial invoice for incremental payment scenarios shall be for 120 days. Collection of all funds is the responsibility of the IPO financial analyst.

Prices and charges for materials and services are to be provided to non-federal entities at the Laboratory's full cost, which includes the cost of Laboratory staff, any materials and services required to perform the requested function, and applicable burden.

Applicable burden

Full cost to the sponsor includes Division and Group Overhead, G&A, and Program Office Overhead. In addition, DOE depreciation and overhead must be included where applicable. DOE depreciation and overhead are subject to change annually and are available from the IPO financial analyst.

DOE depreciation and overhead apply unless a waiver is granted from DOE for the project. Waivers of DOE depreciation and overhead are available to sponsors who are state and local governments, non-profit organizations, foreign countries, and international organizations if a specifically identified, currently funded DOE program derives a direct benefit as a result of the work. Such waivers are available to other sponsors, such as private firms and individuals, when the above condition is met and if the proposed work is related to nuclear processes; atomic energy; utilization of special nuclear material or radioactive material; or efficient energy methods. Small businesses, non-profit entities, and non-profit universities have been granted a class waiver of the DOE overhead and depreciation costs.

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Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, and Cooperative Research and Development Agreements, Continued

Criteria for activities

In order for a Laboratory activity to be considered for funding under Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, Materials and Services, or Cooperative Research and Development Agreements, the following criteria must be met:

- The activity performed and the specific deliverables are consistent with the legislative authority of DOE, as per Congress;
 - The activity is not in conflict with the mission of DOE and is complementary and consistent with the Laboratory's mission statement;
 - The activity draws on a unique capability at the Laboratory;
 - The activity is not and will not be in direct competition with the domestic (United States) private sector;
 - The activity does not preclude or prevent the execution of DOE-funded activity at Los Alamos National Laboratory; and
 - The activity does not present a current or future burden on DOE- or other-funded activity at Los Alamos National Laboratory.
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Funds-In Agreement (FIA)

An FIA is a contract between a non-federal partner and DOE that denotes specific work to be done by the Laboratory for the sponsoring partner. An FIA covers sponsored work only, not collaborative work between the partner and the Laboratory. Prior to receipt of any formal request for an FIA, a copy of the FIA form is provided to the potential sponsor for review and concurrence/comments. DOE approval is not required with the exception of waivers for depreciation and overhead. The approval authority remains in IPO.

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Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, and Cooperative Research and Development Agreements, Continued

User Facility Agreement (UFA)

A UFA allows industry and university partners to conduct research at the Laboratory's unique experimental facilities. The partner directs the activity that occurs within the framework of the agreement with minimal work by the Laboratory principal investigator. Training and support maintenance is provided to the sponsor under this agreement. DOE approval is not required with the exception of waivers for depreciation and overhead. The approval authority remains in IPO.

Limited Scope Technical Assistance Agreement (LSTA)

An LSTA is a solution to requests for short-term technical assistance required by non-federal entities. The technical challenges presented by requesting industries can be analyzed by Laboratory staff within a few days of executing the agreement and receiving the funds. Assistance offered includes consultation, access to unique Laboratory facilities and equipment, and training. The focus is on applying existing technology versus developing new technology. The Laboratory is indemnified against liability of any sort. The funds for this type of agreement are limited to \$5,000 of costs before taxes. DOE approval is not required, and the waiver process is not used.

Industrial Assignment Agreement (IAA)

An IAA is used to send a Laboratory PI to a company to perform work as agreed to in a contract. This mechanism is for offsite work only. This agreement is for up to one year; however, it can be extended for up to one more year if the need should arise. DOE approval is not required with the exception of waivers for depreciation and overhead. The approval authority remains in IPO.

Cooperative Research and Development Agreement (CRADA)

A CRADA must be for cooperative work with the sponsor. In-kind contributions (i.e., contributions made by the sponsor in house, FTEs, materials, facilities, etc., not including any funds received by the Laboratory) by the sponsor are required in a CRADA. CRADAs may have programmatic moneys involved as well as funds-in from the sponsor. A CRADA requires the signature of the Laboratory Director and the approval of DOE.

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Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, and Cooperative Research and Development Agreements, Continued

General procedure

The following is a general procedure on the use of these funding mechanisms. Specific procedures for the use of each agreement are available from IPO.

Step	Action
1	Generally, a potential sponsor submits a formal, written request for specific services to be performed by the Laboratory, including a brief description of the Statement of Work provided.
2	Preliminary discussions occur between the PI and the prospective sponsor on initial programmatic and technical reviews to identify risks and vulnerabilities that might arise from performing such work. Specific tasks and deliverables are identified under the Statement of Work.
3	IPO coordinates the negotiation, execution, and implementation with the Laboratory Legal Counsel and the IPO financial analyst. IPO provides the potential sponsor guidance on the agreement to be used and the terms and conditions early in the negotiations, to avoid possible delays and/or cancellations later in the agreement process.
4	The IPO financial analyst prepares a Non-DOE Proposal Financial Estimate Worksheet, Exception to Full Cost Recovery form (#2110.1A) and a Cost Estimates of Materials or Services to Others form (AL F 2250.5A).
5	The IPO financial analyst prepares and sends to the sponsor an invoice for payment, as well as an incremental spending plan if requested by the sponsor.
6	Proposals for non-federal WFO are submitted to the appropriate division or group leader, program manager (if applicable), IPO financial analyst, IPO representative, Legal Counsel, and Laboratory Budget Officer for review, approval, and signature.
7	Once the proposal has been signed by all parties (if requested), it is submitted by IPO to DOE/AL for DOE depreciation and overhead waiver approval.
8	Once approved, the agreement is sent to the sponsor for signature. The sponsor sends the funds and the signed agreement to IPO.

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Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, and Cooperative Research and Development Agreements, Continued

General procedure, continued

Step	Action
9	When the funds are received, a deposit slip is prepared and sent to the BUS-1 WFO Team, which sends the check to the US Treasury for deposit and notifies DOE by a Certification of Obligations for Funds. This certification is countersigned by DOE and faxed to the IPO financial analyst.
10	The IPO financial analyst sets up a unique program code for this contract and contacts the PI to begin work. DOE remits the funds to the Laboratory on the Approved Financial Plan (AFP) at the end of every month.
11	The PI and the IPO financial analyst manage the funding for the project to ensure that costs do not exceed approved funding.
12	The IPO financial analyst closes the program code to further costs and commitments once project costs and commitments reach 99% of the available funding. Corrective action such as adjusting the workscope to coincide with the arrival of additional funds or adjusting commitment levels to better reflect planned and executed workscope may be undertaken at this time.
13	The Budget Office and IPO prepare monthly and quarterly reports to update Laboratory management and DOE on the status of all reimbursable work done.
14	IPO, DOE, the PI, or the sponsor may request that the activity be terminated or closed. The PI certifies the integrity of the cost activity in writing and prepares a close-out report, to be maintained as part of the file, as required by the Laboratory or DOE.
15	After all required paperwork has been issued to IPO, the IPO financial analyst requests in writing that the BUS-1 WFO Team deobligate any additional funds remaining in the program code. Variances are handled according to the Laboratory's variance policy.
16	The BUS-1 WFO Team notifies DOE that the funds are to be taken from the account on the AFP. The check, drawn on the US Treasury account, is issued by the Laboratory to the sponsor.

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Funds-In, User Facility, Limited Scope Technical Assistance, Industrial Assignment, and Cooperative Research and Development Agreements, Continued

**Budget
execution
controls**

Budget execution controls include the following:

- Closing the program code(s), as described above;
 - Ensuring the work scope is completed in a timely manner and the integrity of the costs incurred;
 - Using the UC Management Fee on a temporary basis, under specific criteria and approval by the Budget Officer and the Laboratory Deputy Director, to ensure that sufficient funds are available as “bridge funding” pending the receipt of funding from the sponsor;
 - Matching the calculated 90-day advanced funding requirement against the balance remaining on a monthly basis and, if the funding level has fallen below this level, taking one or more of the following corrective actions:
 - Collecting additional funds from the sponsor in accordance with the contract;
 - Temporarily suspending work by closing the program code until additional funds are received;
 - Correcting the erroneous charges to the program code; or
 - Modifying the contractual agreement;
 - Sending the sponsor a monthly report, at their request, showing a breakdown of costs and effort for the agreement;
 - Preparing monthly and quarterly reports to update Laboratory management and DOE on the status of all reimbursable work done; and
 - Possibly using reimbursable funding (which is “uncolored”) for both operating and capital, although it is more economical for the sponsor to procure capital items required for execution of the work scope.
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Integrated Contractor Orders

In this section The following topics are covered in this section:

Topic	See Page
Policy	7-2-22
Criteria for Approval	7-2-22
Procedure	7-2-23
Budget Formulation and Execution Controls	7-2-24

Introduction The Integrated Contractor Orders (ICOs) section is provided as a guideline for the approval and financial execution of all non-Direct DOE-funded work performed by the Laboratory for Integrated Contractors or DOE Field Offices.

Policy Budget formulation and execution for all non-Direct DOE-funded work performed by the Laboratory for DOE Integrated Contractors or DOE Field Offices will be performed according to full-cost recovery principles. Project costs may not exceed funding resources.

Criteria for approval of ICO work Laboratory facilities and resources may be made available for the performance of work for Integrated Contractors under the following circumstances:

- The activity is related to the mission of the Integrated Contractor or falls within the unique or special capabilities of the Laboratory or
- The scope of the work is accepted by the Laboratory consistent with the mission of the Laboratory and applicable DOE Orders, is funded by the sponsor, and is approved by the Laboratory Contracts and Grants Officer.

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Integrated Contractor Orders, Continued

Procedure The following steps outline the Integrated Contractor Orders process, where the Laboratory is the performing office:

Step	Action
1	Standard Laboratory ICO forms are submitted to the Budget Office for review and approval by the ICO budget analyst and the Laboratory Budget Officer. The ICO forms document the scope of work, budget requirements, and programmatic responsibilities.
2	If the ICO funds are from within the DOE Albuquerque (DOE/AL) complex or from outside the DOE/AL complex but the order is new, the field analyst delivers the Statement of Work, BET cost estimate, and ES&H form to BUS-2.
3	If the ICO funds are from outside the DOE/AL complex, the field analyst delivers only the BET cost estimate to cover the new funding to BUS-2.
4	If the Laboratory is the performing contractor and if the funding order is accepted and approved, the Laboratory Budget Office opens an account or account range to record costs associated with the ICO activity. Project costs are managed by the project leader and may not exceed funding resources.
5	Laboratory field analysts are responsible for reviewing ICO funding and costing activity to ensure that timely information is available to project leaders.
6	When project costs and commitments reach 99% of the available funding, the Laboratory Budget Office or the ICO field analyst closes the program code to future costs and commitments. Program codes may be closed prior to being 99% costed and committed at the discretion of the Laboratory Budget Officer or the project leader.
7	Upon project close-out, the project leader certifies in writing to the Budget Office that all related costs were funded by the appropriate source. This certification is maintained as part of the file.

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Integrated Contractor Orders, Continued

**Budget
formulation and
execution
controls**

As a formulation control, the Laboratory Budget Estimating Tool (BET) is used to estimate activity, where appropriate.

Execution controls include code closure by the Laboratory Budget Officer, as described in Step 6 of the Process section, above, and the technical manager's being responsible for ensuring the integrity of the costs incurred.

References

References

Refer to the following documents for more information on this topic:

- DOE Order 2110.1A, Pricing of Departmental Materials and Services, which provides guidance for establishing prices for services provided by the Department of Energy and their contractors;
 - DOE Order 534.1, Accounting, which provides overall guidance for accounting and financial operations;
 - DOE Order 2200.6, Accounting; which provides overall guidance for accounting and financial operations; and
 - DOE 4300.2C, Non-Department of Energy Funded Work (Work for Others), which provides guidance for proposal data elements, criteria of acceptance of WFO, and administering WFO activities.
-